

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. PAC-E-02-1
OF PACIFICORP DBA UTAH POWER &)
LIGHT COMPANY FOR APPROVAL OF) NOTICE OF ISSUE IDENTIFICATION
CHANGES TO ITS ELECTRIC SERVICE)
SCHEDULES.) NOTICE OF SCHEDULING
) (Including Proposed Hearing Dates)
)

On January 7, 2002, PacifiCorp dba Utah Power & Light Company (PacifiCorp; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting approval of the Company's proposed electric service schedules. Included in the Company's filing was a proposed Schedule 34-BPA Exchange Credit distribution. The BPA Credit was approved using Modified Procedure, i.e., by written submission rather than by hearing. Reference Order No. 28946; Commission Rules of Procedure, IDAPA 31.01.01.201-204. The remainder of the Company's filing—Cost of Service (COS) study, proposed Power Cost Surcharge (\$38 million) and a proposed Rate Mitigation Adjustment (RMA)—is being processed separately as specified below.

On February 19, 2002, a prehearing conference in Case No. PAC-E-02-1 was held in Boise, Idaho. The following parties appeared by and through their counsel and/or representative:

PacifiCorp	Curtis D. McKenzie, Esq. John Eriksson, Esq. Stoel Rives LLP
Commission Staff	Scott Woodbury, Esq.
Monsanto Company	Randall C. Budge, Esq. Racine, Olson, Nye, Budge & Bailey
Idaho Irrigation Pumpers	Eric L. Olsen, Esq. Racine, Olson, Nye, Budge & Bailey
City of Firth	Timothy Shurtz – City Councilman

YOU ARE HEREBY NOTIFIED that the Commission and the parties at the prehearing conference identified the following matters as continuing to be “at issue” in Case No. PAC-E-02-1:

Company cost-of-service study w/related adjustments to rate design.

The revenue ramifications of the Company’s filing.

Power costs PacifiCorp is seeking to recover.

Rate mitigation adjustment.

Whether the Company’s attempted recovery of excess power costs incurred in 2000/2002 violates Merger Approval Condition No. 2. Reference Case No. PAC-E-99-1, Order No. 28213, page 31 issued November 15, 1999, i.e., “following the merger, PacifiCorp shall not seek a general rate increase effective prior to January 1, 2002”; see also Order No. 28213, page 31, fn. 22 “our Order imposes the additional condition of a rate moratorium for approximately two years. PacifiCorp is entitled to seek a rate increase to be effective in year three if it can prove that its revenue requirement is deficient.”

Whether it was appropriate (and perhaps prudent) for PacifiCorp to enact economic curtailments of usage (Company imposed interruptions of power) as opposed to the alternative purchase of high cost power.

The presence of interruptible load, and the Company’s treatment of same.

A review of Company sales contracts executed in 2000/2001.

The timing of the loss of the Company’s Hunter coal generation plant in 2000-2001 and related cause(s) therefore.

The treatment of irrigators (i.e., previously interruptible, now proposed to be firm).

The treatment of special contract customers (previously system customers, now proposed to be situs).

It is noted that the foregoing list is not intended to be all-inclusive.

YOU ARE FURTHER NOTIFIED that pursuant to agreement of the parties and the Commission the following scheduling is established in Case No. PAC-E-02-1.

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Re: Settlement Discussions

The Commission acknowledges that the parties in this case are engaged in settlement negotiations. Reference Commission Rules of Procedure 271-280. To that end, the parties have agreed that to the extent that the parties are successful in reaching a settlement agreement in this case then the following scheduling is established:

Wednesday, April 17, 2002	Submit settlement agreement
Wednesday, May 8, 2002	Evidentiary hearing (at location to be later identified) to consider settlement agreement (Reference Commission Rule of Procedure 275—Burdens of Proof)

Additional notices may issue following receipt of any settlement agreement.

Re: Hearing on the Underlying Case

Recognizing that the parties may be unsuccessful in reaching a settlement agreement in Case No. PAC-E-02-1, or that the settlement agreement may fail to resolve all issues, or that the settlement agreement may not be accepted by the Commission under Commission Rule of Procedure 276, the Commission and parties agree to establish the following scheduling and hearing date:

Friday, June 7, 2002	Prefile deadline Staff/Intervenor direct testimony
Friday, June 28, 2002	Prefile deadline Company rebuttal
Wednesday, July 10 (11), 2002	Hearing (at a location to be later identified)

Additional notices may issue as the case develops. The parties agree to make a best effort to turn around Company production requests after June 7, 2002 within 10 days and in expediting same to incorporate e-mail, if possible.

YOU ARE FURTHER NOTIFIED that on or before May 1, 2002, rates for the irrigation class may be set on an interim basis subject to refund.

YOU ARE FURTHER NOTIFIED that the Company's proposal to change its electric service schedules is subject to the Commission's approval. The Commission may approve, reject or modify the requested changes in rate schedules. The Commission may

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determine PacifiCorp's rates and charges in an amount other than proposed by the Company and/or the spread or allocation or relative increase or decrease in any rate or charge may be other than that proposed by the Company. The rates and charges of all customers of PacifiCorp in the State of Idaho, including those governed by special contract, are at issue and subject to change in this proceeding.

YOU ARE FURTHER NOTIFIED that discovery is available in Case No. PAC-E-02-1 pursuant to Commission Rules of Procedure, IDAPA 31.01.01.221-234.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final Order consistent with its authority under Title 61. All proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
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BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: jjewell@puc.state.id.us

DATED at Boise, Idaho this

day of February 2002.

PAUL KJELLANDER, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Jean D. Jewell
Commission Secretary

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